While thoughtfully conservative, the citizens of the "Old Granite State" are not slow to adopt methods which give promise of bettering political conditions; so the advocates of the Initiative and Referendum look forward confidently to the Convention, feeling sure that the wisdom of the adoption of these improvements to our system of government will appeal to the best judgment of the delegates.

GEORGE H. DUNCAN.

CAUSES OF POVERTY IN CHINA.

Christian Hospital, Nanking, China, February 25.

In her review of Edward Alsworth Ross's "The Changing Chinese," which appeared in the Public of January 19, on page 67, the reviewer, Miss Grace Isabel Colbron, thus summarizes Professor Ross's handling of the causes of poverty in China, with comment thereon:

In one respect, however, this clear-sighted economist fails to explain the terrible poverty of the Chinese masses. He claims that it is not due to the system of land tenure, as most Chinese farmers own their own little plot of land rent free. But in a later chapter he tells of the aversion of the "upper classes" to work of all kinds, tells of the pitiful attempts of even the hard-worked coolie to pretend he is a gentleman of leisure when he has earned a few pence more than usual; he tells of the long finger nails which are the badge of freedom from labor. Now, where a large class refuses to work in any way, refuses to render service to the community, and yet it is this very class that lives in luxury—may not this be an explanation of the heart-rending poverty of untold uncounted millions? This, and not altogether a too great pressure of population against the producing power of the soil, as Profesor Ross seems to imply? How does one class live in luxury except from the labor of the others?

The true answer to the last question, as the reviewer evidently surmised, is, **Through landlordism.** The "upper classes" referred to as hating work, are **officials** and **landlords.** Half the farmers are tenants, and poverty in China is chiefly due to two causes, landlordism and the miseries of famines.

W. E. MACKLIN.

INCIDENTAL SUGGESTIONS

A GROWING TENDENCY.

Port Arthur, Texas.

The following editorial from a recent number of the Beaumont (Texas) Enterprise is significant:

When you render your property for taxes this year just put about twenty-five per cent more value to the land and deduct it from the improvements. The total being the same, there can be no complaint from the board of equalization, and in all probability the board will be glad to see the change. By rendering the land at high value the owners of improved property can set the example for increasing the value of the vacant property and thereby eventually bring about a reduction in the tax required of improved property.

That editorial represents a tendency to soften taxes on improvements in an informal way, the discouraging effect of such taxes having come to be better recognized through the teachings of Single-tax advocates these many years.

In this city, Port Arthur, 20 miles from Beaumont, the assessors themselves appraise improvements for taxation at 50% of their real value, land at 100% and merchants' stocks at 75%, this being also a recognition of Singletax principles.

It is quite possible that a request for further examples of such practices would elicit information going to show quite a movement around the country along these informal lines.

O. OWEN.

CURRENCY AND INTEREST RATES.

Atlantic, Iowa.

There is a very general opinion that a low rate of interest would be a benefit to the common people. Along with this, generally goes the idea that a larger volume of currency would lower the rate. It does lower the rate temporarily. But if this lower rate does not cause the surplus currency to flow to points where the rate is higher, it tends to distribute it through the country and hence to increase the number of buyers in general and at the same time to decrease the number who wish to sell or who are forced to do so. Hence a general rise in prices. The rise in prices calls for more money for the same business, and the rising prices cause more business. So the new demand for money causes the rate of interest to swing back higher than before, but only temporarily. Writers for The Public persistently ignore the truth above stated.

HENRY HEATON.

NEWS NARRATIVE

The figures in brackets at the ends of paragraphs refer to volumes and pages of The Public for earlier information on the same subject.

Week ending Tuesday, March 26, 1912.

La Follette versus Roosevelt.

At the North Dakota primaries on the 19th first indications were had of the triangular contest in the Republican party over the Presidential nomination which is now at white heat. The candidates were President Taft, ex-President Roosevelt and Senator La Follette. La Follette was nominated by a majority over both the others. Following is the vote as reported by the Associated Press on the 22d, with returns for 350 voting precincts out of 1,800 missing and not expected until the official count:

La Follette	28,620
Roosevelt	19,101
Taft	1,543

In response to the questions of a newspaper interviewer and as reported on the 21st, Senator La Follette said of this primary:

The returns so far reported from North Dakota are confirmatory of the impressions formed in a

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